

Appl. No.: 09/839,745
Amend. Date: 08/01/2007
OA mail Date: 06/18/2007

REMARKS

1. Withdrawal of 35 U.S.C. § 102 & 103 Rejections.

The Applicant notes with appreciation Examiner's withdrawal of the prior rejections on the merits.

2. Rejection of Claims 2, 21 and 23 under 35 U.S.C. § 112.

Claims 2, 21 and 23 were rejected under 35 U.S.C. § 112 as being indefinite.

In Claim 2 the language "*presentation of information associated with a virtual account card*" was objected to for being unclear as to what is covered by that language.

In response, Applicant puts forth an amendment of Claim 2 which now recites the information as being "*payment transaction information*".

3. Rejection of Claims 2, 21 and 23 under 35 U.S.C. § 112.

Claims 2, 21 and 23 were rejected under 35 U.S.C. § 112 as failing to comply with the enablement requirement.

Applicant puts forth suggested amendments to Claims 2, 21 and 23 toward clarifying the duties of the trustee of the trust account, by specifying that the trustee "*is appointed to administer the funds within the trust account*", as discussed in the specification at page 20, lines 11-12. This added material accentuates the trustee relationship with the trust account and the fund disbursement duties of the trustee.

It will be appreciated that a trustee has a legally binding relationship with the given trust account, and more particularly, the entity establishing the trust account, or in this case the cardholder. It should be recognized that even with trusts set up by a family or individual (i.e., Rockefeller trust) the death of 'the trustee' does not impair the ability of the trust to discharge its duty and the funds over which it has charge. Typically, the 'trustee' is a business entity charged with the legal responsibility to administer the funds within the trust according to the terms established by whomever established the trust. These responsibilities being set forth in abundant state and federal regulations directed specifically at trusts.

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Turning now to the language of the 112 rejection one portion states that *"as said trustee releases a level of funds from the trust account in response to user directive, to render payment."* is not enabled in the specification *"for how a bank account can release the funds in a trustee capacity"*. The statement is also made in the rejection about distinguishing this application *"from other pre-paid or pre-authorized cards in which a trustee (or bank) releases funds in response to a user directive"*. (emphasis added)

In light of the statements above it appears that some level of confusion still appears to exist with regard to a *"trust account"* and *"trustee"*.

None of the prior art of record has disclosed the building of any payment card structure upon a trust account mechanism. It should be appreciated that by virtue of this trust account configuration of the inventive payment card, a number of benefits are derived as brought out in the specification of the instant application.

It should also be recognized that a trust account, as described, always has a trustee that is the legally responsible party, the party which is bound under law to manage the account and release funds. This trustee aspect is described throughout the specification, and was recited in the original claims for the application, such as in original Claim 34. In addition should be noted that the trustee is responsible for assuring the viability of the account from loss by the user/cardholder. By contrast, in a pre-paid debit card the account is owned by the card seller, wherein the money submitted by the user becomes the property of the card seller. Thus, when the seller of a pre-paid debit card goes bankrupt, for example, money is lost by the user.

Looking at the trust account aspects in greater detail, it is seen that the term "Trustee" is a term describing a binding legal relationship within a trust account, a relationship in which the Trustee manages the account on behalf of a beneficiary, such as the party establishing the trust. In the present Application the user deposits money into a virtual account within the trust account to be managed by the account trustee. This configuration differs markedly from the account relationship of a pre-paid debit

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payment card, wherein the receiver of the monies does not have this legally-binding relationship.

Dictionary definition of "Trustee" - *"Manager of another's property. A person who is given the legal authority to manage money or property on behalf of somebody else."* (Excerpt from the Microsoft Encarta College Dictionary (published 2001)).

From the above it is seen that a trustee is legally bound to manage the trust account, such as for the dispersal of funds on behalf of the user. The specification provides support for the use of a trustee and even the release of funds by a trustee. For example, a trustee release of funds is described for the example of redeeming a prepaid trust account based card as found in the specification at page 27, lines 16-22:

"The handling of various card related events is summarized in block 40. The VAP card may be redeemed as shown at block 42 at any time, wherein the trustee releases a level of funds from the trust account commensurate with the remaining balance of the virtual account payment card. During redemption, the payment card, having an associated virtual account, is presented to a merchant or issuing bank, wherein the unused balance in the account is remitted to the cardholder through the trustee as a cash payment or credit." (emphasis added)

In addition, the specification recites that the Trustee can be a financial institution configured to manage the funds as seen at page 20, lines 5-12:

"The issuer of the VAP card may be the trustee of the trust account, or the trustee may be any large financial institution configured to manage the virtual accounts and communicate as necessary with the related parties. The payment card with associated virtual account is preferably either "issued to" the cardholder by an issuing institution, such as a bank, or "acquired by" the cardholder from a merchant. No physical account exists, such as for which checks may be written against, and the trustee of the trust account is a bank or other financial institution that is appointed to administer the funds within the trust account." (emphasis added)

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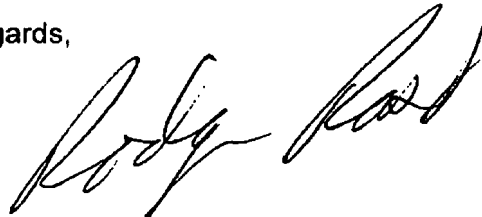
Beyond describing the integration of these aspects within a transaction database and operated upon within a transaction processing infrastructure, the specification need not, or should not, delve into specific software and organizational structures employed for releasing funds by the trustee for a number of reasons, including the following. (1) The trust account structure itself is novel and unobvious over the use of previous card based systems, and it provides a number of unique benefits, which are brought out in the specification and claims. (2) A number of ways exist to accomplish obtaining a user directive which is considered a legal authorization to the trustee, and for legally releasing the funds as trustee of the account. Wherein it would be unduly limiting on the invention to describe specific variants which are each largely a matter of design choice in view of the teachings of the present invention.

4. Conclusion.

The amendments and discussion above clarify the remaining issues. If any questions or issues still remain, please call me at the number below to discuss.

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Regards,



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